

B. Content of course material and testing

Phase I, (Quick Results)

- Developed comprehension tests to validate learning process and instituted some changes in the delivery and content of course material.

Phase II, (Main Installation)

- Developed work simulation evaluation using the Hopper to appraise Service Representative's capabilities (Quality and Efficiency).
- Created Modular Training agenda for Single Line Resale (DOE) that will reduce training time from six weeks to two weeks. For a few who do not pass the work simulation, there will be a follow up instruction for three days.
- All the modules have comprehension testing. The comprehension testing will be administered prior to the training and after the module has been delivered.
- LEO training module developed and delivered to increase capacity of LCSC to handle AT&T volume received through LEO.

Phase III, (Adjust and Follow up)

- Developed and delivered LENS training to 14 part time temps in Atlanta. This approach to inputting LSR's to LEO that are received for manual processing drastically reduces the training time to 8 hours and provides an excellent reserve capability.
- Developed training modules for Resale
 - * Single Line DOE
 - * Single Line SONGS
 - * Multiline DOE & SONGS
 - * Belinda Miller, (trainer) used the SONGS training materials in her most recent training class.
- Training modules for Unbundled Network Elements and Complex Services still require development.

ELL SOUTH - LCSC
TLANTA, GA

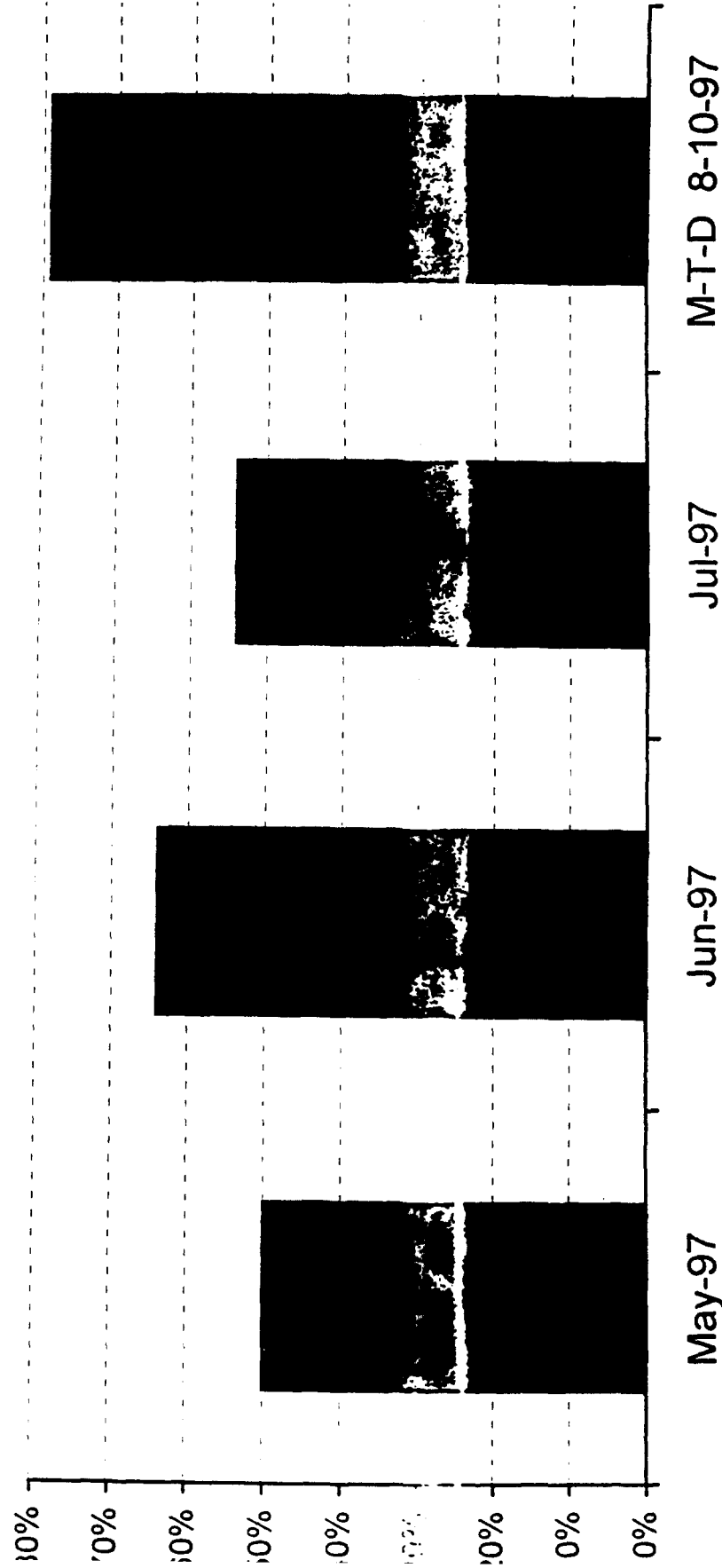
STATUS GREEN - COMPLETED
- IN PROGRESS
RED - IN PROGRESS

SUMMARY OF FINDINGS AND APPROACH

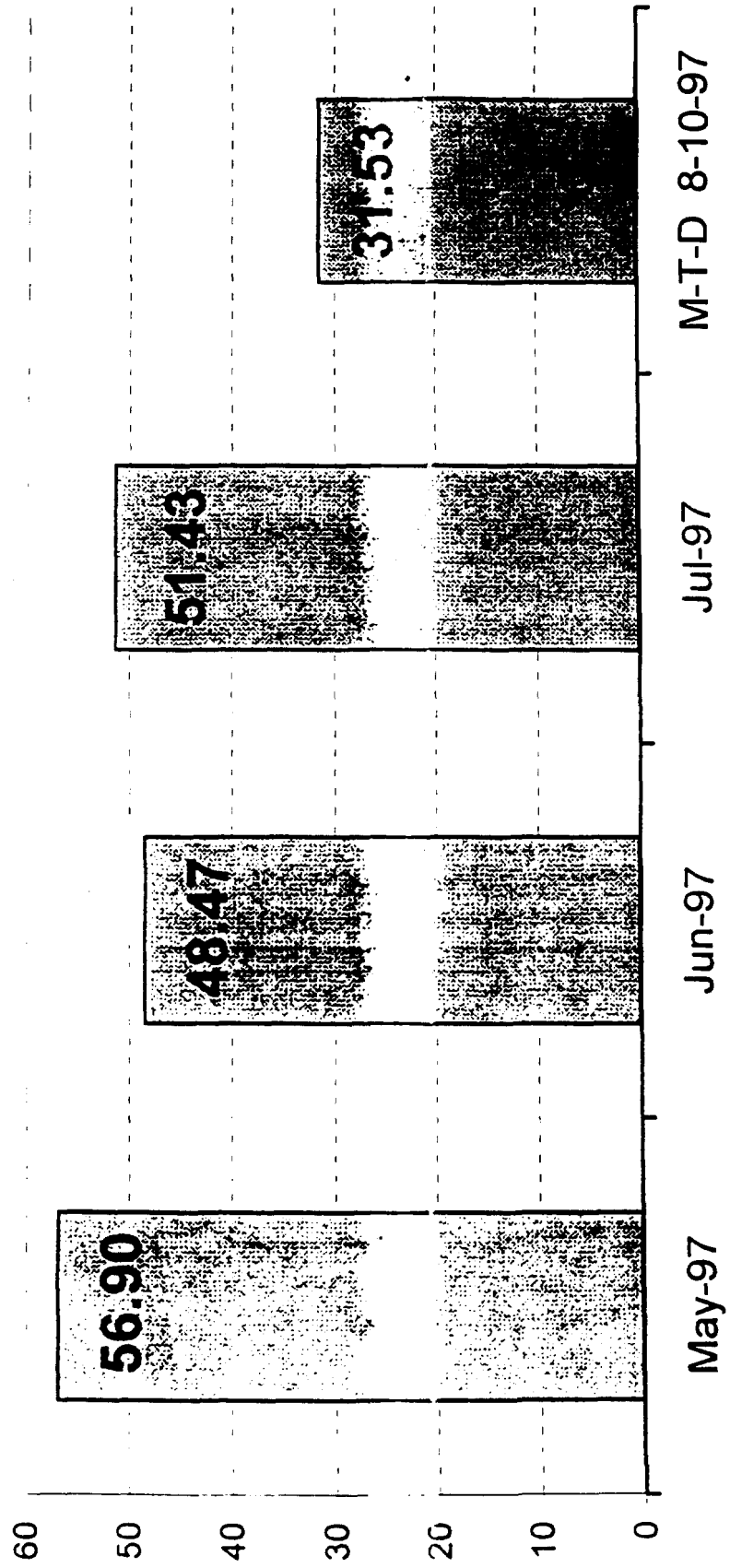
ate Updated August 15, 1997 Week 22 of 22

ate Updated August 15, 1997 Week 22 of 22			PHASES FOR DELIVERABLES		
AREAS	FINDINGS	PROPOSALS	QUICK RESULTS PHASE I	MAIN INSTALLATION PHASE II	ADJUST & FOLLOW-UP PHASE III
GMT. OPERATING	ELEMENTS EXITS BUT REQUIRES	DESIGN AND INSTALL ELEMENTS			
STEM (MOS)	UPGRADES				
ORK PROCESS	NEEDS BETTER DEFINITION AND SIMPLER	INSTALL PREDICTABILITY OF EXECUTION			
	NEEDS TO INTERNALIZE UP-GRADES	AND KNOW HOW TO REPEAT PROCESS			
PLOYEE SKILLS	INCOMPLETE TRAINING - DELIVERY & CONTENT	FILL THE GAPS IN TRAINING			
	BACKS ON THE FLOOR SUPPORT AND EVALUATION	DELIVER FUNCTIONAL REPS			
NAGEMENT	NEEDS STRUCTURED PARTICIPATION	DEVELOP BEHAVIOR MODEL			
IAVOR		EVALUATE AND INSTALL			
NAGEMENT	PASSIVE IN ASSIGNMENT / FOLLOW UP	PROACTIVE ENGAGEMENT			
ITUDES					
ALITY / SERVICE	NO EFFECTIVE MEASURES	DEVELOP TESTING PROCESS			
		DEVELOP REPORTS			
OR UTILIZATION	DOCUMENTED 15 - 39% LABOR WASTED	REDUCE LOST TIME THROUGH TRAINING			
		AND SUPERVISORY INTERVENTION			
ALS AND	LACKS SYNERGY AND INTEGRATED	DEFINE THE OBJECTIVES AND MEASURES			
	PLAN	IMPROVE SYNERGY-SUPPORT & OPERATIONS			
ATEGIES					
			SUMMARY		
COMPLETE			100%	100%	94%

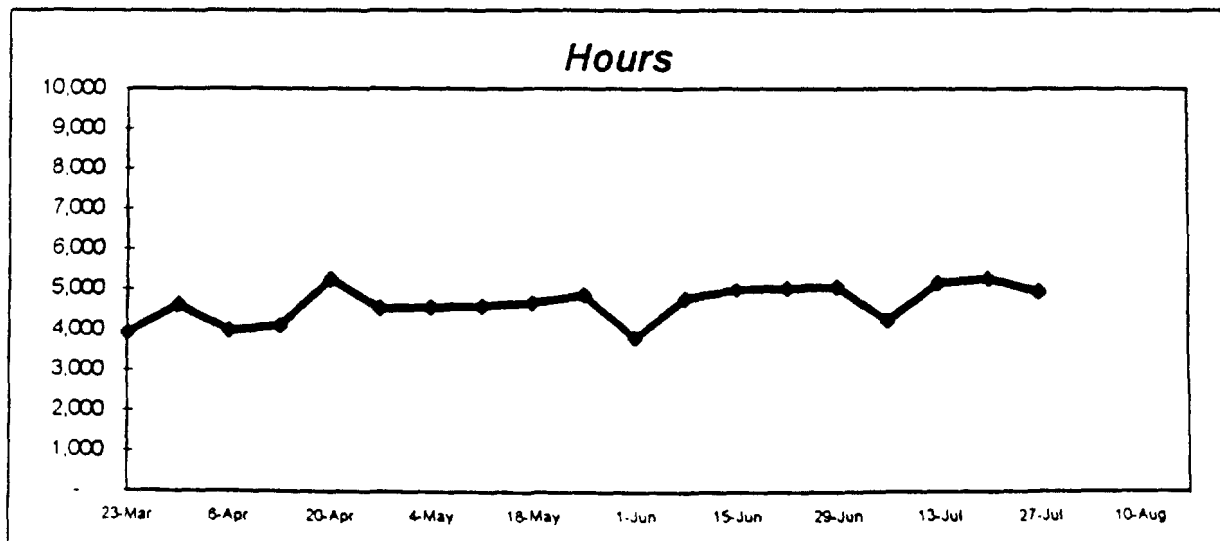
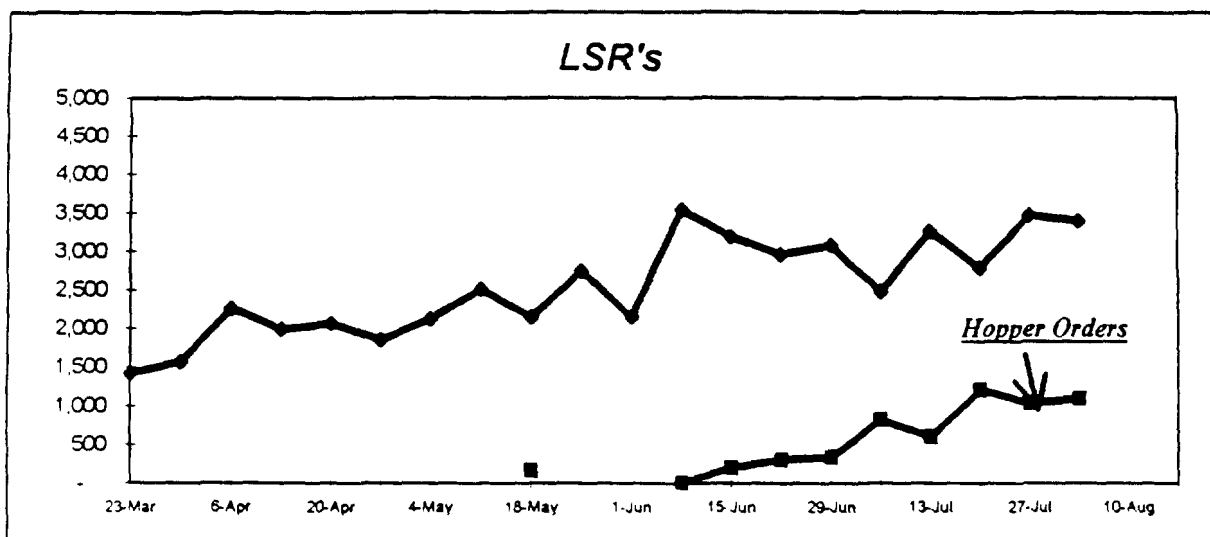
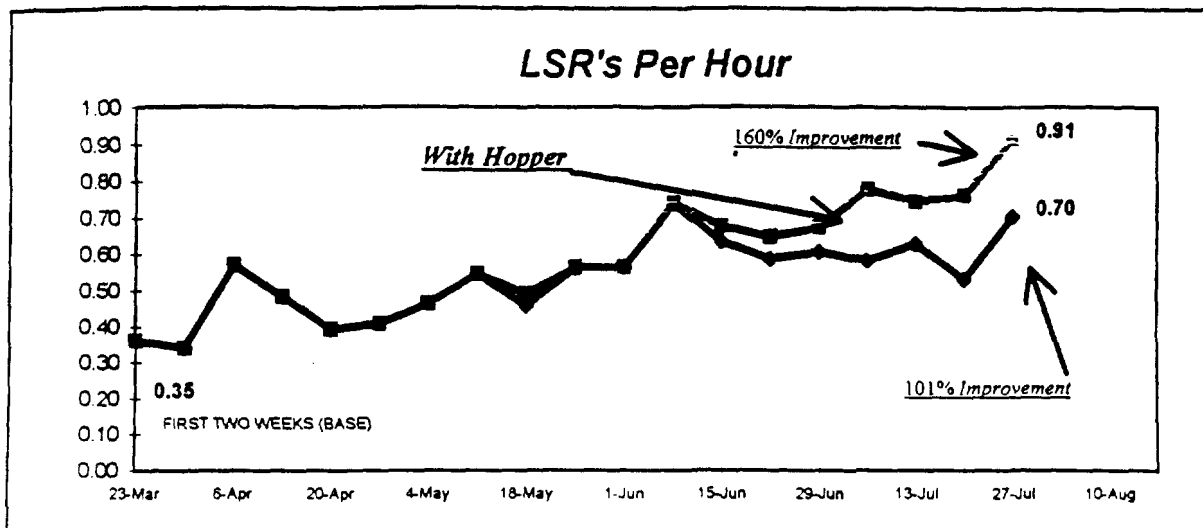
% OF LSR'S FOC'D < 48 HOURS



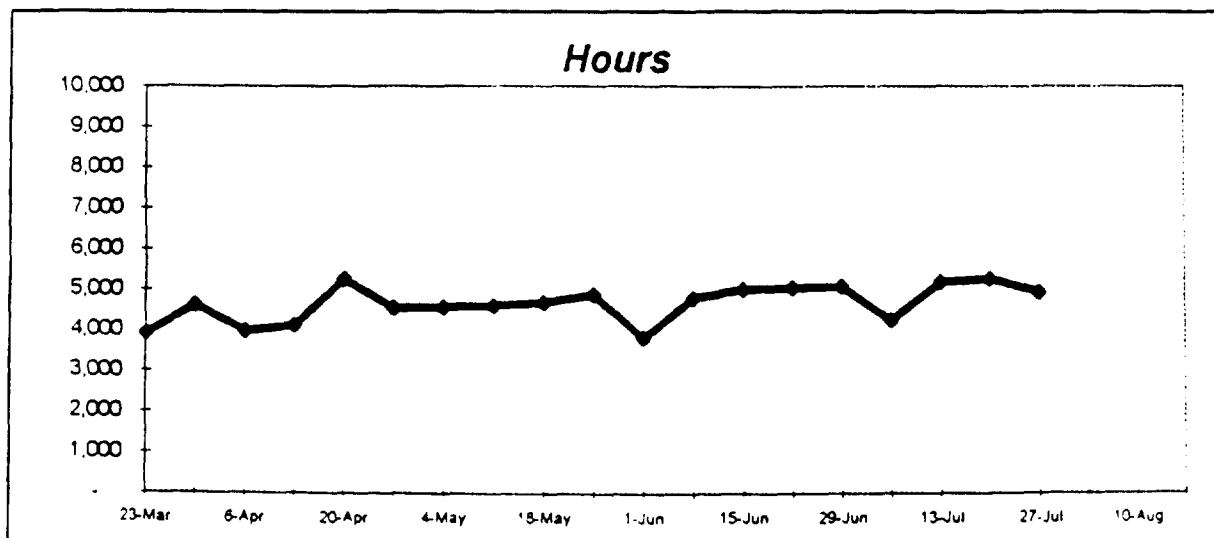
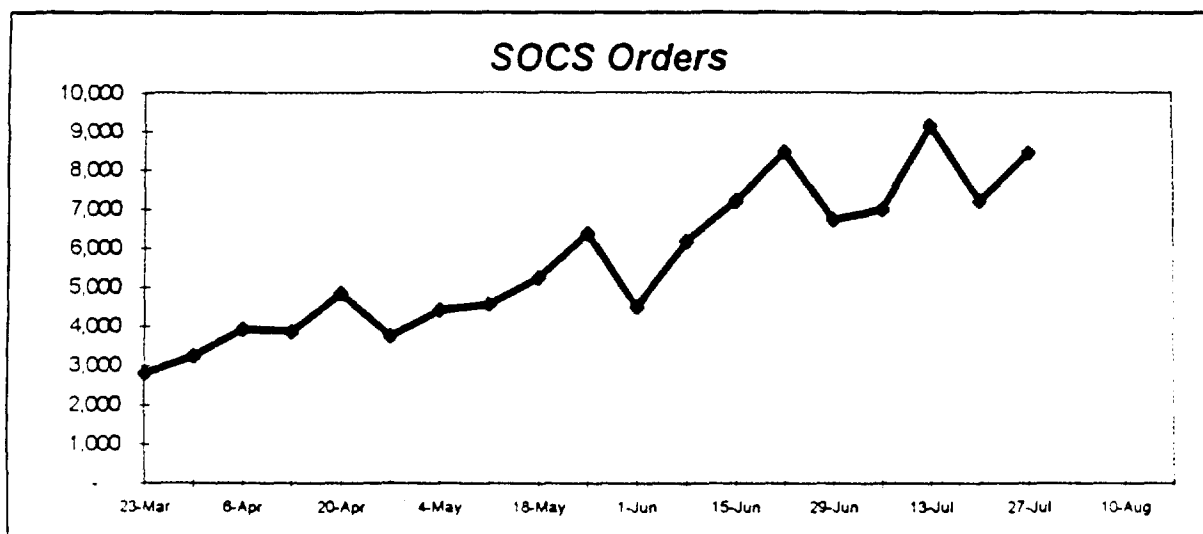
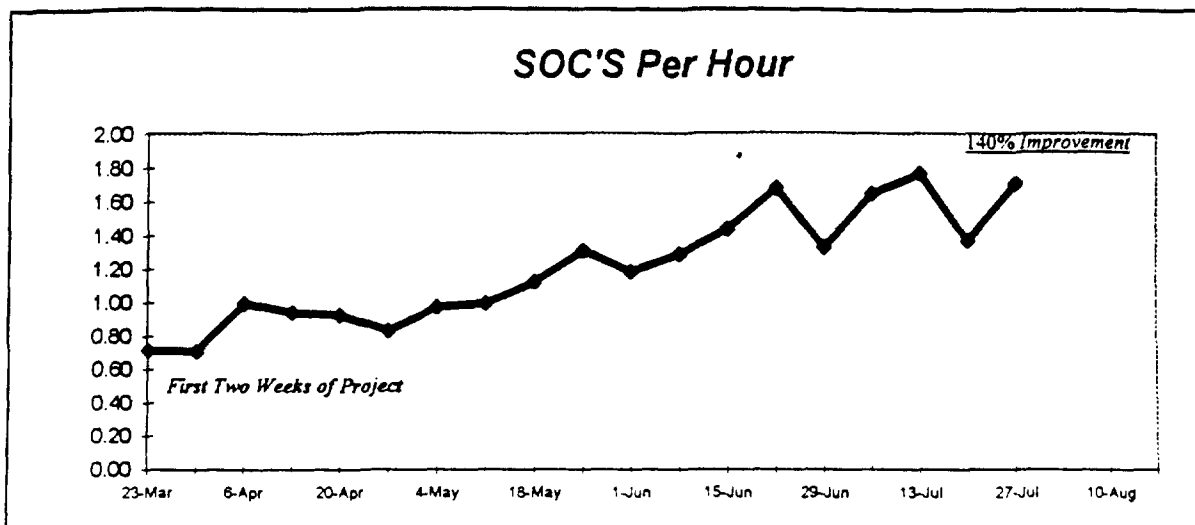
DURATION TIME - LCSC



BellSouth
LCSC



BellSouth
LCSC



CAPACITY / CAPABILITY

ITEM	BIRMINGHAM	ATLANTA	TOTAL LCSC
SERVICE REPS	79	63	142
HOURS / DAY	7.5	7.5	7.5
HOURS AVAILABLE	592.5	472.5	1065
%TRAIN,VAC ABS	23%	23%	23%
NET HOURS AVAIL	456	364	820
LSR'S/HR CAPACITY	3.46	4.80	4.05
LSR'S/HR DEMO	1.84	2.16	1.98
DAILY VOL CAPACITY	1578	1747	3325
DAILY VOL CAPABILITY	839	786	1625
PERCENT OF CAPACITY	53%	45%	49%

© Bellsouth

BellSouth Interconnection
South 1461
3535 Calanada Parkway
Birmingham, Alabama 35243

Richard A. Dender
Account Manager

September 10, 1996

Mr. Tom Allen
Vice President - Strategic Planning
Intermedia Communications, Inc.
3825 Queen Palm Drive
Tampa, Florida 33618

Dear Tom:

In regard to your letter of July 11, 1996, BellSouth can provide the unbundled frame relay loop and the unbundled ISDN loop as requested by Intermedia Communications, Inc. (ICI). However, BST cannot provide the "line side loop unbundling that supports a multi-host environment".

The frame relay loop can be provisioned by using the loop portion of BST's existing DDAS or SynchroNet services. BST will provision these services at their existing tariffed rates. Also, BST has developed unbundled ISDN loops and can provision them in Florida for \$43.00 per month. BST understands that it may have to re-price these services at TELRIC if that portion of the FCC Order becomes final.

Concerning the request for "line side loop unbundling that supports a multi-host environment", our staff has reviewed ICI's comments to the FCC on this matter and have determined that BellSouth's operations and support systems, particularly the Loop Facilities Assignment and Control System (LFACS) and Trunk Inventory and Record Keeping System (TIRKS), cannot handle assignment and administration of this small portion of a carrier system. Manual records would need to be maintained that would conflict with BellSouth's mechanized systems.

There is no technically feasible method to segregate the concentration portion of the carrier system from the feeder transport to it. The systems are designed as a single entity and cannot be separated. This means that the concentration portion and the feeder transport portion are one entity. They provide the necessary facilities to transport and concentrate loop facilities from the central office to the remote terminal.

If you would like to discuss this further, please call me at 205-877-5866.

Sincerely,



Rich Dender

U
S
C
I

1 Q Yes.

2 A Is that the issue?

3 Q That is correct.

4 A I'm aware that there has been a lot of
5 discussion between Intermedia and BellSouth with respect
6 to those particular loops. There's a long history
7 associated with that, associated with whether or not it
8 was even a requirement of the Intermedia agreement.
9 We've, I think, worked our way through that, and as far
10 as I know, we've finally reached accommodation and a
11 means of provisioning that to you.

12 Q That's as an interim resale arrangement as
13 opposed to the provision of unbundled loops; is that not
14 the case?

15 A Well, we've reached the interim retail
16 arrangements some months ago. It was sometime, I think,
17 last year is where we reached that. I understood that
18 some time, oh, around May, June, somewhere in that time
19 frame, we have reached an agreement with -- to provide
20 you with the actual unbundled elements.

21 Q Let me ask this as a hypothetical then. Let's
22 assume that BellSouth has been unable and continues to
23 be unable to provision the -- a subloop unbundled
24 element and the digital 4-wire loops that Intermedia has
25 requested. Let's assume that as a hypothetical.

1 Is it BellSouth's contention that the fact
2 that it lists unbundled loop distribution -- well,
3 4-wire unbundled digital loops and subloop unbundled
4 distribution in its statement, is basis enough to obtain
5 271 relief?

6 A No, that's not actually true. There are two
7 parts to your question. One is that the specific loops
8 that Intermedia has requested, first, those loops have
9 to be identified as a network element that we are
10 required to provide in order to show checklist
11 compliance.

12 If that is the case, then we would obviously
13 have to provide those loops upon request with
14 Intermedia. If those loops are not required to be
15 provided under the Telecom Act, then, no, it wouldn't --
16 it would have no impact on checklist compliance. And as
17 I understand it, the loops that Intermedia has been
18 requesting, I think they're called frame relay loops,
19 are not designated network elements.

20 Q So does BellSouth -- is that also BellSouth's
21 position with subloop unbundled -- unbundled subloop
22 elements?

23 A Unbundled subloop elements of loops that are
24 not required to be offered, yes. It is not our position
25 with respect to subloop elements for the ones that are

1 required to be offered, like 2-wire analog and 4-wire
2 analog and DS-1, and whatever subloop unbundling has
3 been identified as an unbundled network element for.
4 But if it's a subloop of a loop that we don't have to
5 offer, then --

6 Q How about other loops, like digitally
7 conditioned 64 and 56 kilobit loops? Are those -- can
8 BellSouth obtain 271 authorization without providing
9 those as unbundled network elements?

10 A Again, I don't know if you're referring to a
11 loop that is in fact one that we're required to offer or
12 not. If you are referring to one that we are required
13 to offer, then -- and somebody has asked for it, then we
14 would have to offer it, within whatever the time frame
15 is that we're required to and under the terms and
16 conditions that we have to offer it. Based on that
17 description, I can't tell whether that's one that we
18 have to offer or not.

19 COMMISSIONER CLARK: Mr. Varner, let me follow
20 up on that. Is it your testimony that if it is a
21 designated network element that you have to offer, that
22 using the bona fide request process is sufficient to
23 meet the requirement that prices for that element be
24 cost-based?

25 WITNESS VARNER: Yes, in the instance that

1 we've used it for those subloop elements, because the
2 bona fide request process requires that the price be
3 cost-based.

4 COMMISSIONER DEASON: How does that process
5 work, that a bona fide request is deemed to place an
6 item at cost?

7 WITNESS VARNER: It doesn't necessarily mean
8 that the price will be at cost. It means that the price
9 will be based on cost. And it's similar to a process
10 that we've had for sometime called special assemblies,
11 where people want something that's somewhat unique and
12 they request it, and we go and determine what is the
13 cost of providing that particular item to that specific
14 customer in the specific circumstances that they've
15 asked for it, and then we would establish a price for it
16 based on their specific set of circumstances.

17 COMMISSIONER DEASON: So under that process,
18 you identify a procedure you will follow to identify the
19 cost of providing that on a case-by-case basis?

20 WITNESS VARNER: Yes. And that process is
21 included in the statement. It's identified in the
22 statement what that process is, and it has in there
23 commitment dates by which we would get back to them with
24 information and so forth to process their request. And
25 it has the commitment that the prices would be

1 other enhanced service provider traffic dated August
2 12th.

3 CHAIRMAN JOHNSON: I'll mark this as Exhibit
4 17 and give it the short title BellSouth August 12th
5 Letter Regarding Enhanced Service Providers Traffic.

6 (Exhibit No. 17 marked for identification.)

7 CHAIRMAN JOHNSON: Sir, how much more
8 questioning do you have, if you could estimate the
9 time?

10 MR. CANIS: I would assume about 15 minutes,
11 possibly 20.

12 CHAIRMAN JOHNSON: Any other questions?

13 MR. FINCHER: I have about two questions.

14 CHAIRMAN JOHNSON: Is that it then? Okay.

15 Q (By Mr. Canis) Mr. Varner, I would like to
16 direct your attention to the first paragraph, fifth line
17 down at the end of that sentence, it says, every
18 reasonable effort will be made to ensure that ESP
19 traffic does not appear on our -- that is BellSouth --
20 bills, and such traffic should not appear on your
21 bills -- that is CLEC bills -- to us.

22 Does the fact that BellSouth is talking about
23 every reasonable effort suggest to you that some of that
24 traffic is in fact passed through to CLECs in a mutual
25 compensation arrangement?

1 A No, it does not. What it suggests to me is
2 that we will take every step to ensure that it is not
3 passed through to CLECs. The more -- I think the first
4 statement of this letter is consistent with what I've
5 said. It says, the purpose of this letter is to call to
6 your attention that our interconnection agreement
7 applies only to local traffic. That's been the case
8 with interconnection agreements from their inception.

9 And it goes on to explain that this ISP
10 traffic is jurisdictionally interstate and thus is not
11 subject to the interconnection agreements.

12 And the statement that you read was our
13 commitment to ensure that we don't bill you for that
14 traffic and asking you not to bill us for that traffic.

15 Q At anytime in the past, to your knowledge, has
16 BellSouth included local calls made to Internet service
17 providers and the traffic it passes off to CLECs for
18 mutual compensation?

19 A Well, there's no way to pass off a local call
20 to an Internet service provider because the traffic is
21 interstate, so we can't pass you a local call. The call
22 that we pass you would be an interstate call.

23 COMMISSIONER DEASON: And is it interstate
24 because that's the way the FCC has defined it?

25 WITNESS VARNER: Yes, it's been

1 jurisdictionally defined as interstate traffic.

2 Q (By Mr. Canis) How are those calls rated?

3 A I don't know. It depends on where they
4 originate and what kind of service the originating
5 customer has as to how they would be rated.

6 Q In fact, aren't those calls rated out of
7 BellSouth's local tariff, and in fact, isn't that what
8 the FCC has required?

9 A What the FCC has said is that the traffic is
10 jurisdictionally interstate but access charges do not
11 apply; and has said, if I remember it -- I can't get
12 this exactly right, but what they have said is that the
13 charges for that traffic shall be the local service
14 charges that would normally apply for that type of
15 facility. This is the same arrangement that's been in
16 place for years with CompTel and CompuServ, I think, and
17 other places wherein they've been allowed to utilize --
18 they're just basic 1FBs and 1FRs -- to provide enhanced
19 service provider traffic without the payment of access
20 charges. And they've received an exemption from access
21 charges, but the FCC has consistently maintained that
22 the traffic is in fact jurisdictionally interstate.
23 They're just saying that the charges for it will be the
24 same as the charges for local service.

25 Q If I'm a residential user on BellSouth's

1 network and I want to make a call, I use BellSouth's
2 Internet subsidiary, BellSouth.com, as my Internet
3 service provider and I make a call to BellSouth.com, do
4 I pay local charges out of BellSouth's local tariff?

5 A You mean dot net?

6 Q I'm sorry, dot net.

7 A I had to do that.

8 Q Thank you.

9 A But if you -- are you the end user or are
10 you -- you have to tell me whether you're the end user.

11 Q I'm an end user.

12 A You're an end user. What happens is when you
13 make a call to their server, if they have a local
14 presence, which many Internet providers do, they set up
15 something akin to foreign exchange arrangements, so
16 customers can call in to a local number, and then they
17 carry the call to wherever they happen to be located.
18 Then you would be making a local call. It's just like
19 you would if you were calling a foreign exchange line.

20 Q Is BellSouth's position on the definition of
21 local calls made to Internet service providers an
22 accepted industry standard, or is that a controversial
23 issue?

24 A I don't know. As far as the fact that
25 interconnection agreements supplying the local traffic

1 only, as far as I know, all of the RBOC's
2 interconnection agreements do the same thing in that
3 regard. Obviously the FCC's rules about this traffic
4 being interstate is certainly an industry standard that
5 everybody complies with.

6 Q Doesn't the FCC currently have two pending
7 rulemaking proceedings addressing this issue?

8 A Evidently, according to this letter, there
9 are.

10 Q Are you familiar with those proceedings at the
11 FCC?

12 A Not the current status. I believe those are
13 the proceedings on access reform. The other one on
14 treatment of interstate information service providers
15 I'm not. I'm somewhat familiar with the one on access
16 reform. Not with respect to this question, but with
17 respect to the other issues of what they did on access
18 reform.

19 Q So you're not familiar then that while all the
20 LECs make the same argument that BellSouth does in
21 filings before the FCC, every competitive carrier
22 contended exactly the opposite, that this was local
23 traffic subject to mutual compensation?

24 A That doesn't surprise me at all. Over the
25 years the issue of appropriate charges to apply for

1 information service or enhanced service providers has
2 been one that's been debated many times. The
3 application of access charges is usually the point of
4 the debate, and it always breaks down exactly as you
5 described. You have the local exchange companies saying
6 that access charges should apply and the ILECs saying
7 that no -- I mean the information service providers,
8 saying no, they shouldn't.

9 Q Would you characterize this then as an issue
10 that is in dispute?

11 A I don't know whether it's in dispute because I
12 don't know that there's any sort of complaint or
13 whatever pending. I would characterize it as an issue
14 where there are two different points of view as to how
15 it should be resolved.

16 Q Are you aware that dispute resolution
17 provisions in the interconnection agreements negotiated
18 between BellSouth and Intermedia?

19 A Would you repeat that please?

20 Q Are you familiar with the dispute resolution
21 provisions of the interconnection agreement negotiated
22 between BellSouth and Intermedia?

23 A No, I am not.

24 Q Are you aware generally of dispute resolution
25 provisions in interconnection agreements executed by

1 BellSouth?

2 A No, I am not.

3 Q So if I were to tell you that the
4 interconnection agreements negotiated by Intermedia
5 required disputes to be referred to the appropriate
6 state commission for resolution, and do not authorize
7 unilateral action by either party, you wouldn't have any
8 position one way or the other on that?

9 A As I said, I'm not familiar with the
10 provisions. I don't know what they say.

11 Q On Page 44 of your rebuttal testimony, and I'm
12 looking at Line 24 and 25 --

13 A What page was that?

14 Q I'm sorry, Page 44, bottom of the page, Lines
15 24 and 25. You state, "To my knowledge, the DOJ has no
16 particular expertise in OSS or in the technical
17 requirements of providing telecommunications services."

18 On the next page, a couple sentences down,
19 "Thus, DOJ's opinion concerning OSS or checklist
20 compliance are not binding or persuasive."

21 Do you have any knowledge of the DOJ's 271
22 review process?

23 A Yes, I believe I do. In -- to the extent that
24 the review process is reflected in the comments that
25 they have filed to the FCC.

1 Q Did those comments include statements by
2 technical experts on OSS systems that were hired by DOJ?

3 A I remember there were some affidavits. I do
4 not remember whether any of them were technical experts
5 on OSS systems. From what I recall the affidavits were
6 from economists.

7 Q So you don't know whether DOJ has hired expert
8 outside consultants to assist it in reviewing OSS issues
9 for its 271 reviews?

10 A No, and I didn't see any evidence of it in
11 their filing.

12 Q I would like to refer you to Page 66 of your
13 rebuttal testimony. In there on Line 12 you state, "In
14 fact, BellSouth currently offers rebundled elements."
15 Are you familiar with a term -- I don't know, it's a
16 technical term -- I think it's a popular term called
17 GLUE charges?

18 A I've heard something talked about.

19 COMMISSIONER GARCIA: Would you repeat that?

20 MR. CANIS: Yes, references to a term called
21 GLUE, G-L-U-E, charges.

22 Q (By Mr. Canis) Let me just explain what I
23 think GLUE charges are, and perhaps we can use this as a
24 basis for further discussion. Some parties consider the
25 term "GLUE charges" as an additional charge above and



BellSouth Telecommunications, Inc. 404 927-7150
Room 4428 Fax 404 420-8291
675 West Peachtree Street, N.E. Internet: Ernest.L.Bush
Atlanta, Georgia 30375 @bridge.bellsouth.com

Ernest L. Bush
Assistant Vice President -
Regulatory Policy & Planning

SN91081223

August 12, 1997

To: All Competitive Local Exchange Carriers
Subject: Enhanced Service Providers (ESPs) Traffic

The purpose of this letter is to call to your attention that our interconnection agreement applies only to local traffic. Although enhanced service providers (ESPs) have been exempted from paying interstate access charges, the traffic to and from ESPs remains jurisdictionally interstate. As a result, BellSouth will neither pay, nor bill, local interconnection charges for traffic terminated to an ESP. Every reasonable effort will be made to insure that ESP traffic does not appear on our bills and such traffic should not appear on your bills to us. We will work with you on a going forward basis to improve the accuracy of our reciprocal billing processes. The ESP category includes a variety of service providers such as information service providers (ISPs) and internet service providers, among others.

On December 24, 1996, the Federal Communications Commission (FCC) released a Notice of Proposed Rule Making (NPRM) on interstate access charge reform and a Notice of Inquiry (NOI) on the treatment of interstate information service providers and the Internet. Docket Nos. 96-262 and 96-263. Among other matters, the NPRM and NOI addressed the information service provider's exemption from paying access charges and the usage of the public switched network by information service providers and internet access providers.

Traffic originated by and terminated to information service providers and internet access providers enjoys a unique status, especially call termination. Information service providers and internet access providers have historically been subject to an access charge exemption by the FCC which permits the use of basic local exchange telecommunications services as a substitute for switched access service. The FCC will address this exemption in the above-captioned proceedings. Until any such reform affecting information service providers and internet access providers is accomplished, traffic originated to and terminated by information service providers and internet access providers is exempt from access charges. This fact, however, does not make this interstate traffic "local", or subject it to reciprocal compensation agreements.

Please contact your Account Manager or Marc Cathey (205-977-3311) should you wish to discuss this issue further. For a name or address change to the distribution of this letter, contact Ethelyn Pugh at 205-977-1124.

Sincerely,

A handwritten signature in cursive script that reads "E. L. Bush".

CERTIFICATE OF SERVICE

I, Enrico C. Soriano, hereby certify that I have on this 20th day of October, 1997, served a copy of the foregoing comments upon the individuals listed below, by hand-delivery or U.S. first class mail, postage prepaid:

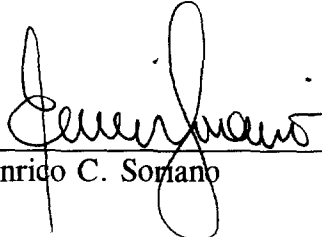
Janice Myles*
Policy and Program Planning Division
Common Carrier Bureau
Federal Communications Commission
Room 544
1919 M Street, N.W.
Washington, D.C. 20554

Donald J. Russell*
Telecommunications Task Force, Antitrust Division
Department of Justice
Room 8205
555 Fourth Street, N.W.
Washington, D.C. 20001

ITS, Inc.*
1231 20th Street, N.W.
Washington, D.C. 20036

Charles W. Ballentine, Executive Director
South Carolina Public Service Commission
111 Doctors Circle
Columbia, SC 29203

Walter H. Alford
BellSouth Corporation
1155 Peachtree Street, N.E.
Atlanta, GA 30367



Enrico C. Soriano